

William P. Kenoi
Mayor

Received & Inspected

FEB 24 2012

FCC Mail Room



County of Hawai'i
Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553
KONA: 74-5044 Ane Keohokalole Hwy., Bldg. C • Kailua-Kona, Hawai'i 96740
(808) 323-4444 • Fax (808) 323-4440

William T. Takaba
Managing Director

Walter K.M. Lau
Deputy Managing Director

EX PARTE OR LATE FILED

February 17, 2012

Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Sandwich Isles Communications, Inc. Petition for Waiver of 47 C.F.R. 54.302, WC Doc.
No. 10-90, WT Doc. No. 10-208

Dear Chairman Genachowski:

While we support the spirit and intent of the Federal Communications Commission's (FCC) recent order to revamp and update Universal Service Fund (USF) programs (FCC 11-161), we feel it critical that you understand the unintended consequences this action will have on rural and remote counties, such as ours, if the changes result in the demise of Sandwich Isles Communications, Inc. (SIC), Hawaii's only Rural Local Exchange Carrier (RLEC).

As you experienced first-hand during your visit and fly-over of Hawaii County in July 2010, we are a predominantly rural, hard-to-reach county, with 21 non-contiguous Hawaiian Home Lands (HHL) areas, designated as tribal lands, pursuant to FCC Order 11-161. As an island state, all of Hawaii's rural counties are physically separated from Honolulu, the state capitol, the urban core, and economic engine of our state. The only means of transportation to and from Honolulu, on the island of Oahu, is by commercial airlines. No passenger transport is available via ferry or other means on the ocean. To make matters worse, one of Hawaii's two major airlines went bankrupt and ceased operations in 2008. Since then, due to rising fuel prices and limited competition, interisland airfares have continued to rise and transportation between islands is becoming increasingly problematic.

Meanwhile, Hawaii County's ability to connect to Honolulu and the rest of the world via access to the "information superhighway" has also been limited. As with many other rural and remote areas across the country, Hawaii County had historically not seen the levels of broadband or even basic telecommunications infrastructure investment, as its urban counterpart. Then in 1998, SIC began building out fiber optic infrastructure in Hawaii county in an effort to provide much-

needed telecommunications services to unserved Hawaiian Home Lands areas. While they have successfully built out the newest, most state-of-the-art fiber optic infrastructure both on-island and undersea, they must be allowed to continue their infrastructure investment across our county and state.

Broadband holds the key to increased county government and other services at reduced costs for our citizens. SIC's broadband infrastructure will provide the backbone necessary for our government and our citizens to live and work successfully in an increasingly global society and economy. As a rural county, physically separated from Honolulu, we rely heavily on reliable and robust interisland and terrestrial broadband capacity to ensure we have uninterrupted connectivity to crucial federal, state, and county agencies on Oahu. All major military installations, the state's civil defense headquarters, all major hospitals, and the flagship campus of the state's only public university are located on the island of Oahu, making interisland broadband infrastructure imperative to provide basic and advanced services for our residents. SIC's broadband infrastructure will provide the capacity needed to ensure that our residents have adequate and reliable access to e-commerce, telemedicine, distance learning, and other opportunities now and into the future. Furthermore, broadband capability provides telehealth and distance learning opportunities without the time and expense of traveling between islands.

Moreover, Hawaii County has received authority to use the 700 MHz public safety broadband spectrum to deploy a public safety broadband system. Our county looks forward to fully utilizing this newly acquired spectrum to deploy interoperable broadband communications capabilities, but must have access to a robust and reliable backhaul infrastructure. SIC can provide the needed backbone infrastructure to allow our public safety agencies to deploy applications made possible by broadband technologies, including, but not limited to, mobile and fixed data services, video, conferencing, training, surveillance, and ultra high speed internet access.

For these reasons, we find it imperative to express our strong support of SIC's waiver request before the FCC. Not only will your continued support of SIC ensure a robust broadband network is successfully implemented, SIC is Hawaii's only carrier that has consistently demonstrated its commitment to ensuring the rural and remote areas of our county and state have access to broadband infrastructure. Plainly put, the future broadband capabilities of our county and its residents hinge on SIC's ability to continue to fund critical infrastructure investments in our rural communities.

We respectfully request your favorable consideration of SIC's waiver request to assist in the deployment of broadband in Hawaii's rural and remote communities.

Aloha,



William P. Kenoi
MAYOR